



Department of Justice

FOR IMMEDIATE RELEASE
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**TWO TEXAS PLUMBING SUPPLY COMPANIES,
INDIVIDUAL CHARGED WITH PRICE FIXING**

WASHINGTON, D.C. -- A federal grand jury in Houston, Texas, indicted two plumbing supply companies and an individual today for conspiring to set prices for the sale of wholesale plumbing supplies in southeast Texas.

Today's case was the sixth filed as a result of an investigation into suspected price fixing in the wholesale plumbing supply industry in Texas, according to the Antitrust Division of the Department of Justice.

Moore Supply Company of Conroe, Texas, Morrison Supply Company of Fort Worth, Texas, and Scott Robert Sangalli, also of Fort Worth, were charged with conspiring to suppress and restrain competition by raising, fixing and maintaining minimum prices for the sale of wholesale plumbing supplies in southeast Texas, including Fort Bend and Harris Counties. Sangalli, president of Morrison Supply Company, also was charged with mail fraud.

The first count of the indictment charged that the defendants conspired with others from June 1991 until May 1992 to set prices for plumbing supplies in violation of Section One of

(MORE)

the Sherman Act. The second count charged that Sangalli used the mail to defraud the United States.

Wholesale plumbing supplies include cast iron soil pipe and fittings, drains, steel tubs, gas water heaters, water saver water closets, plastic and copper fittings and name brand faucets.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the indictment resulted from an investigation by a grand jury in Houston into suspected price fixing in the wholesale plumbing supply industry in Texas. The investigation is being conducted by the Antitrust Division's Dallas Field Office with the assistance of the Federal Bureau of Investigation in Houston.

The maximum penalty for an individual convicted under the Sherman Act is three years in prison and a fine of \$350,000, twice the pecuniary gain the individual derived from the crime, or twice the pecuniary loss caused to the victims of the crime, whichever is greater.

The maximum penalty for a corporation convicted under the Sherman Act is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime, whichever is greater.

The maximum penalty for an individual convicted of mail fraud is five years in prison and a fine of \$250,000, twice the pecuniary gain the individual derived from the crime, or twice

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the pecuniary loss caused to the victims of the crime, whichever is greater.

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